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Political and Economic Positions of COCOM and Other Developed Nations on the Afghan Crisis

An Intelligence Assessment

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January 1980

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An Intelligence Assessment

*Research for this report was completed
on 14 January 1980.*

This assessment was prepared by analysts in the
Offices of Economic Research and Political Analysis.
Coordination has been made with the National
Intelligence Officer for Political Economy.
Comments and queries are welcome and may be di-
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Political and Economic Positions of COCOM* and Other Developed Nations on the Afghan Crisis

Overview

Key Allied governments all issued immediate and, in most cases, very strong condemnations of the Soviet invasion of Afghanistan and are backing the US grain embargo against the USSR. In considering other options for response, they are torn between their apprehension about Soviet intentions and the pull of stronger US leadership. Leaders are still sorting out these forces and many, facing elections, may be waiting to read public opinion. Although they may be encouraged to take sanctions of their own as the United States continues to act, they must weigh the impact of any sanctions on their interests and vulnerabilities vis-a-vis the USSR. In each case these factors are different.

Economic Vulnerability

In the aggregate, developed country dependence on the USSR is small. Although trade with the USSR expanded rapidly during the 1970s, it still accounts for only about 2 percent of total Western exports and imports. The USSR buys mainly grain, steel, and manufactures from the West and sells fuel, raw materials, and semifinished goods.

Western dependence on the USSR is more substantial for certain types of products. Some West European countries rely on the Soviets for a substantial portion of their fuel supplies, supplies that have become more important with the upheaval in Iran. Although an embargo on Soviet exports of metals to the West would create serious problems in some cases, it would not in general have major industrial repercussions on the United States or the other major industrial countries.

For the large West European nations and Japan, the Soviets provide a major market for the products of specific companies and regions, particularly with a recession on the way. With elections coming up this year or next in Canada, Japan, West Germany, France, and probably Italy, political leaders there will be looking to protect regional and sectoral economic interests.

* The Coordinating Committee (COCOM) approves or disapproves sales of equipment and high technology to the Communist countries.

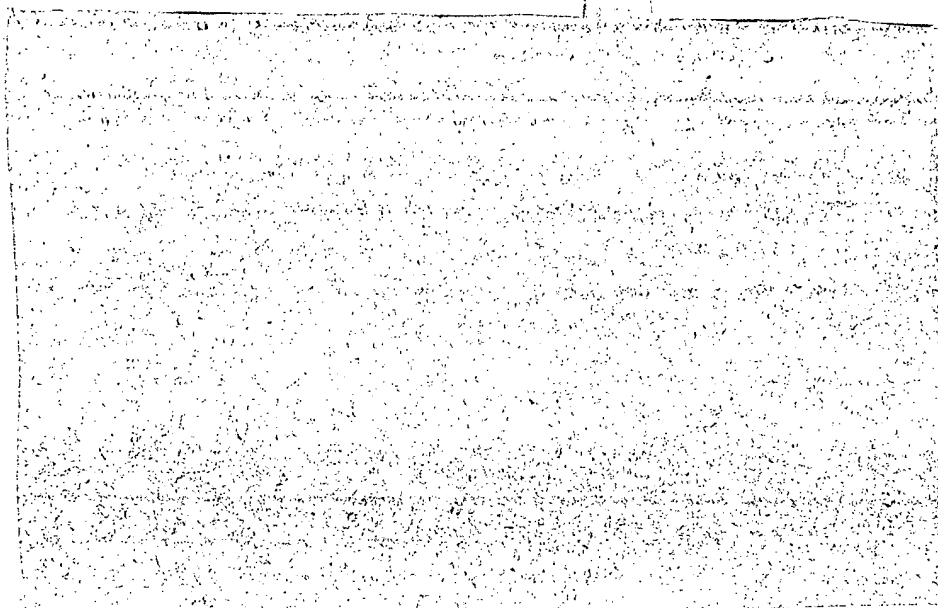
Western governments also are keenly aware of their financial exposure to the USSR. At yearend 1978, the USSR owed around \$7 billion to official lending agencies and \$10 billion to private Western banks.

As of last September the Soviets owed some \$900 million to US banks and their foreign subsidiaries and roughly \$450 million to the US Export-Import Bank.

Soviet Reaction to Sanctions

Although we strongly doubt that Moscow would take economic reprisals against Western sanctions, Allied governments are not so sanguine. In view of the importance of continued access to Western equipment, technology, and grain to Soviet economic development, we believe the Kremlin does not want to risk provoking a further cutoff in Western exports, which could result from a heavyhanded reaction. It seems highly unlikely that the Soviets will abrogate existing contracts, including those for shipments of natural gas, oil, timber, or chemicals to the West. Chances for an across-the-board debt default or a pullout of financial assets similarly appear minimal.

Moscow's reaction, if any, would probably be to emphasize the economic gains to be obtained by nations not siding with the United States. These countries might find the USSR more accommodating in discussions on major Soviet purchases of equipment or in negotiations for the delivery of Soviet fuels or other commodities in short supply.



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France's hard line against any sanctions primarily reflects the special relationship the French believe they have with the USSR, but it also shows their desire to conduct foreign policy independent of the United States where possible. Paris likes to act as an intermediary between Washington and Moscow, but this role has not given France the edge it seeks in obtaining major trade benefits from the USSR. Indeed, Paris is concerned that contracts for exports to the Soviet Union have slowed in the past few years and is anxious to sign new ones. Despite their words to the contrary, French actions make us believe that they would not hesitate to pick up future contracts that would have gone to US firms. Such deals will become more important as the government directs greater attention to reducing unemployment prior to the election.

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The *Italian* Government has remained silent on the question of sanctions against the USSR in part because of fears the Italian Communist Party might use the issue to further weaken Prime Minister Cossiga's tenuous hold on power. The Communist Party has denounced Moscow's move into Afghanistan but opposes any further response as detrimental to détente—an idea with much popular support in Italy. The official silence also reflects concern about endangering Italy's large natural gas imports from the Soviet Union and its chances for new export contracts to help correct the trade imbalance with the USSR. Against these factors, the interests of some political leaders in supporting the United States—as a means of enhancing Italy's status in the Western Alliance and thus forestalling the Communist Party's drive for Cabinet seats—are not likely to weigh very heavily.

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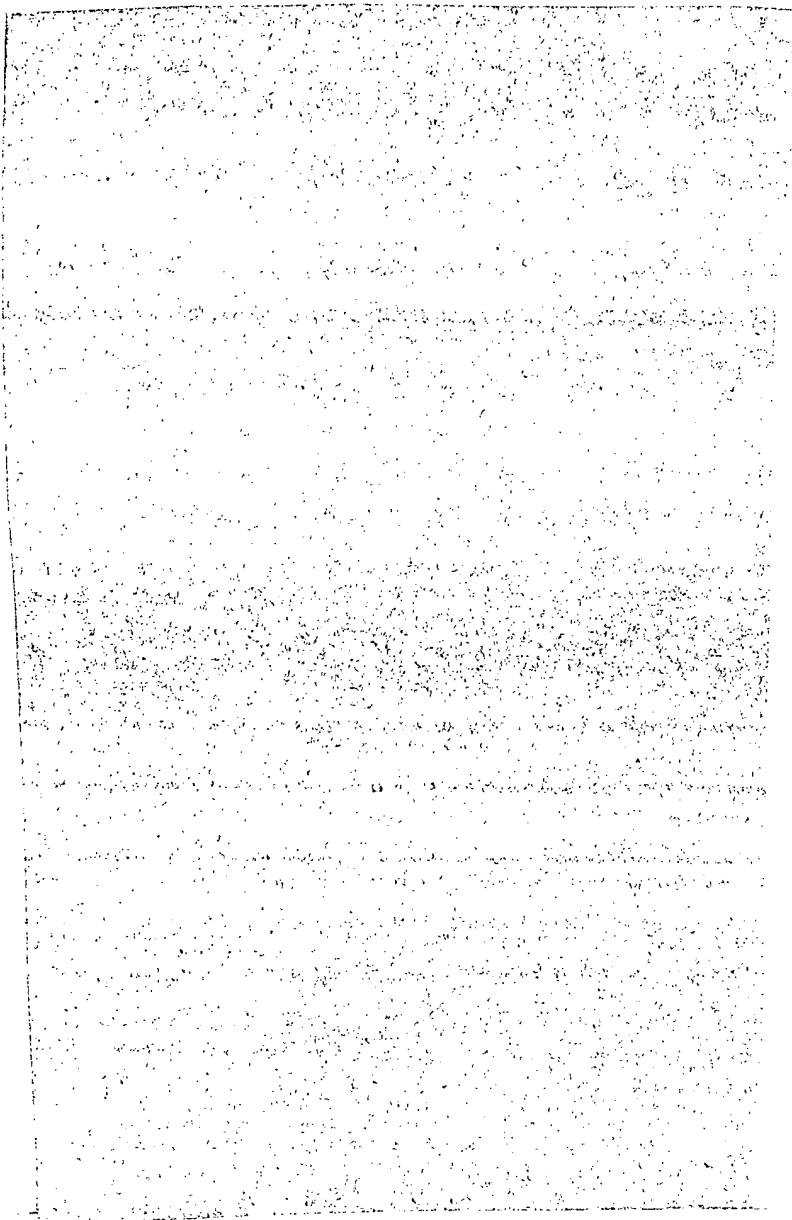
COCOM Partners

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France

Paris is currently weighing its keen interest in maintaining its "special relationship" with Moscow against its concerns about oil, Africa, and Western Europe. Thus far, France does not see Soviet action in Afghanistan as a threat sufficient to jeopardize detente and the French independence of action that has gone along with it. Although trade with the USSR is relatively small and specific dependencies are of marginal importance, Paris still hopes to become Moscow's leading Western supplier of industrial equipment.

Initial Reactions

The French Government's condemnation of Soviet intervention was somewhat less than ringing. Following the US announcement of economic measures against the USSR, Paris stated flatly that it would not use its economic/commercial relations with the Soviet Union for political ends. The French also have thus far blocked any major decisions in NATO and EC councils and have ruled out an Olympics boycott. Paris has, however, supported a US proposal for UN condemnation of the USSR. Although the French Government promised not to take commercial advantage of other countries' actions against the Soviet Union, this may be a short-term commitment only. Paris is vitally interested in developing French high-technology industries, including expanding exports. International pressure would have to be extremely great to prevent France from picking up Soviet contracts that might have gone to US or other Western firms. Indeed, a French competitor of a US seismic equipment supplier contacted Soviet officials on 7 January about a deal Moscow is close to signing with a US firm.

Political/Diplomatic Concerns Paramount

The French view of the Soviet invasion of Afghanistan is strongly conditioned by concern over the preservation of detente and the French independence of action that has gone along with it. Domestic political pressures have counted for little so far, although they could still take on some importance.

French leaders do not yet seem convinced that Western equities are clear-cut enough to warrant measures the Soviets might use as a pretext for abandoning detente. This line of reasoning stems from France's attachment not only to the obvious benefits that detente bestows on all, but also to the lease on foreign policy independence it gives to a "middle power" such as France. The French do not believe they would have this degree of freedom in an international setting characterized by superpowers locked in unyielding, bipolar confrontation. It follows that Paris will likely explore every interpretation of events and every avenue of action or inaction short of a return to a general cold war atmosphere.

France's current policy is designed to avoid riling Moscow and to maintain the "special relationship" the two countries have nurtured since De Gaulle's time. To this end, the French have disassociated themselves from efforts in NATO and elsewhere to portray the problem in East-West terms, urging instead that the situation be viewed in a Soviet-Third World context. Paris has argued against treating the Soviets as a hostile nation, eschewed economic sanctions—which in any event they do not believe will be effective—and indicated a desire to proceed insofar as possible with business as usual, apparently even on their proposal for a Conference on European Disarmament.

Paris nevertheless recognizes that detente has been wounded and that certain adjustments in French-Soviet relations may be necessary. The French have taken a tough line with the Soviets and in all likelihood will continue to do so. They also have joined in UN efforts to bring about the withdrawal of Soviet troops.

There are doubtless those in French policymaking circles who put a more alarmist interpretation on the invasion and its relationship to developments in Iran than does present policy. These voices surely argue that

the invasion enhances Soviet ability to threaten the West's oil supplies and that the reaction not only of France but of the West as a whole reflects shortsightedness and weakness. If for the time being French leaders have chosen to emphasize detente over other factors, there is no reason to believe they could not or would not change their stance if developments were to take a turn for the worse.

France's "special relationship" with the United States also figures in the French approach to Afghanistan. Having struggled for years to avoid domination by the United States, and having found at least a partial answer in detente, Paris is understandably reluctant to follow unquestioningly the US lead on Afghanistan. Thus, although Paris has recently responded to US pressure by hardening somewhat the tone of its public stand on the invasion, it does not seem to have relented on the more basic elements of its position.

France's intent to maintain its independence makes Afghanistan a potentially important domestic issue. With maneuvering already under way for the 1981 presidential election, Giscard cannot afford to make a mistake on such a major issue. His policy already has come in for some criticism. The Gaullists, for example, have taken the government to task for not standing closer to Washington on this issue, but they could as easily have found fault with the government if its initial response had been more closely in tune with that of the United States. The government's ability to anticipate this sort of capriciousness—combined with its awareness that public opinion on Afghanistan is mixed—has given it a relatively free hand.

Barring developments that turn the Afghan situation into a full-blown East-West crisis, the French may see in their cautious, independent position an opportunity to play some sort of a middle role, either in bridging the gap between the superpowers or in providing a rallying point for Third World and nonaligned countries which may not be comfortable siding with the United States or the Soviets but which are deeply concerned about Afghanistan and desirous of a peaceful resolution of tensions.

Economic Considerations

France still has a long-unfulfilled dream of using its relatively independent foreign policy stance as a lever to achieve preferential treatment in economic relations with the Soviets. France has been the most active among the major West European countries in establishing regular exchanges of visits of officials and trade commissions. The economic results of its five- and 10-year cooperation agreements, its willingness to provide cheap credits, and its annual high-level meetings have not been particularly striking. The Soviets base practically all contracts on strict competitive terms, and France has never done better than possibly winning its share of projects.

Overall Trade Developments and Dependencies

French trade with the Soviet Union expanded rapidly in the 1970s. Exports jumped from annual averages of about \$300 million in 1970-72 to \$1.5 billion in 1977-78. French imports rose from \$250 million in the early 1970s to \$1.2 billion by the end of the decade. Dependence on the Soviet Union rose only marginally, however. In the early 1970s Soviet purchases accounted for about 1.5 percent of total French foreign sales, while imports from the Soviet Union were a little over 1 percent of total French imports. By the end of the decade, the Soviet Union accounted for less than 2 percent of French exports and 1.5 percent of French imports; moreover, the Soviet Union's share peaked in 1977 and is unlikely to rise significantly at least until after the early 1980s.

France joined other Western nations in actively courting Moscow in the mid-1970s in attempting to get in on the ground floor in Soviet development of what appeared to be huge reserves of oil and natural gas. In return for French pipe, Paris contracted for 1.2 billion cubic meters of natural gas annually for 1976-79—up to 15 percent of total French imports—and planned to buy 5 billion cubic meters in 1980-81 and 8 billion cubic meters by 1990. Because of the lack of a pipeline, France has been fulfilling its agreement through a swap arrangement whereby the French-purchased gas is delivered directly to Italy, and France receives Dutch gas contracted by Rome. France also has been buying around 100,000 b/d of crude oil (5 percent of total imports). Purchases rose to about 150,000 b/d

last year. In addition, in 1978 Soviet oil products accounted for 18 percent of French imports. Overall, French imports of Soviet energy products—including \$250 million in uranium enriched in the USSR and returned to France and \$50 million in coal—totalled \$850 million in 1978, 70 percent of total French purchases from the Soviet Union. Other French purchases of some importance were cotton (\$100 million, one-third of total French cotton imports), wood (\$65 million, 9 percent), and unwrought aluminum (\$32 million, 9 percent).

Of major strategic metals, the Soviet Union is a preponderant supplier to France only of palladium (78 percent of French imports). France obtains about 10 percent of its supplies of chromium, magnesium, platinum, and rhodium from the USSR.

On the other side of the coin, French firms export a wide range of industrial equipment to the Soviet Union. We are not aware of any major plant or firm that produces primarily for sale to the USSR. Besides a few small trading companies formed to promote commercial exchanges with the Soviet Union (including some designed specifically to facilitate compensation agreements), some firms producing tubes and pipes, metalworking machinery, and heating and cooling equipment would suffer to some degree if sales to the USSR were cut or eliminated.

Although the largest agricultural producer in Western Europe, France is only a marginal supplier of food to the Soviet Union, both in absolute terms and as shares of either French or Soviet trade. In 1978 French sales of food items to the Soviet Union totalled \$47.5 million, down sharply from \$127.1 million the previous year. The drop was due to major shipments of butter and sugar in 1977 (butter sales amounted to \$41 million in 1977 compared to \$19 million in 1978; sugar sales dropped from \$42 million to \$8 million). The most important French food exports in 1978 were barley (\$7.7 million, 1 percent of total French barley exports), malt (\$4.6 million, 3 percent), and alcoholic beverages (\$12.1 million, 1 percent of total French sales). In 1978 France sold no wheat or corn to the Soviet Union.

Recent Contracts

Paris is concerned that the slowdown in Soviet contract-signing in 1977-79 will lead to stagnation and possibly to declines in French sales. France thus has been particularly forceful in attempting to obtain Soviet signatures, particularly for projects under negotiation for several years. Recent contracts signed between Moscow and French firms include gas-lift equipment for enhanced oil recovery, computers and related equipment for TASS, and telephone switching equipment and possibly production facilities. The total value of these contracts will probably exceed \$1 billion.

The computer and telephone switching contracts have created some controversy. Following President Carter's 1978 decision to suspend temporarily a license to export a US computer in response to Soviet dissident trials, Paris announced with some fanfare that US pressures on its Western allies to follow suit would not be heeded. Stating that US pressures infringed on French independence, Paris added—then as now—that economic measures should not be employed for political ends. France immediately offered a French-built computer to replace the American equipment, and a contract was signed in early 1979. Paris added that nine minicomputers and 108 programmable terminals would also be sold to TASS. In June 1979 Paris and Moscow announced an additional agreement for joint development of a new generation of computers and related equipment for the period 1985-95. Under its terms, CII-Honeywell Bull—47-percent owned by a US firm—would supply the technical know-how needed to upgrade Moscow's increasingly obsolete network of medium-sized computers.

France won a relatively small contract to supply telephone switching equipment in early 1979 that also had been bid for by a US firm. Following US Government hesitation to okay licenses for a US firm to build facilities producing components for the system within the USSR, France bid for this contract as well.

France is hesitating because of the high share (up to 50 percent) of the technology falling under US license. Final agreements for both the equipment and the production facility are currently being held up pending Paris's review and final decision.

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France rather reluctantly has signed several compensation contracts and is negotiating others. France joined several other West European nations in the 1970s in signing deals involving deliveries of Soviet natural gas in return for Western pipe and related equipment. Paris also has agreed to chemical plant compensation agreements whereby a share of the output is imported from the USSR. In the only major compensation agreement for a metallurgy project, the French firm Pechiney-Ugine-Kuhlmann agreed in 1976 to construct an alumina plant in Siberia and will receive 100,000 tons of aluminum bars annually for 10 years when the plant begins operation, probably later this year. The two most important projects currently under discussion—an aluminum smelter and modernization of factories producing the Moskvich automobile—both involve compensation, the first for more aluminum bars and the second for around one-third of the auto output. France is pushing hard on the aluminum deal but is reluctant to allow inroads into the domestic automobile market. The French Government estimates that approximately one-fifth of France's imports from the Soviet Union currently fall under compensation agreements.

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Italy

Moscow appears to have the upper hand in economic relations with Italy. Italy imports a significant share of its energy supplies—both oil and natural gas—from the Soviet Union, and Rome is eager to eliminate a \$1 billion trade deficit with the Soviets through expanded sales. In addition, internal politics will make it extremely difficult for Rome to take punitive action against the USSR. Italy does not wish to be drawn into a conflict between the superpowers, and economic sanctions would be viewed by leftists in Rome as a dangerous repudiation of detente. Ruling by virtue of Socialist abstention in Parliament, Prime Minister Cossiga has limited options in dealing with the Afghanistan crisis.

Initial Reactions

The Italian Government's initial response to the Soviet invasion of Afghanistan has been to condemn the action and to call for a withdrawal of Soviet troops in both its public statements and in the parliamentary session recently held to discuss the issue. In addition, Rome concurred totally with the NATO decision to bring the Afghanistan question before the United Nations and has been active in trying to gain Third World support for this move. Prime Minister Cossiga, as European Community President, has not taken the initiative in forging a Community position. In the area of bilateral relations with Afghanistan, the Italian Government has recalled its Ambassador to Kabul and has halted all forms of aid to the Karmal government. Aside from calling in Moscow's Ambassador to Rome, Cossiga has not taken any other steps that might have an impact on Italian relations with the Soviet Union.

Political Factors

In Rome, opposition to the Soviet invasion is conditioned by the broadly based Italian view of detente as the foundation of international peace and stability. International detente has also been a major factor affecting interparty relations in Italy and, as a result, the Soviet action has probably had greater domestic political resonance there than in other West European countries. The issue cuts two ways: on the one hand, it underlines the wide distance still separating the Communists from the traditional governing parties. On the other hand, it highlights the weaknesses of the

Cossiga government, which must be careful not to take positions that the Communists and others can add to their list of grievances against the government.

Prime Minister Cossiga's government—which is dominated by his Christian Democratic Party and excludes the Communists—remains in office by virtue of a Socialist parliamentary abstention. The Communists are exploiting Cossiga's inability to deal effectively with Italy's pressing economic and public order problems to argue for a new government including Communist Cabinet ministers. His hold on power became even more tenuous recently after leftwing Socialists demanded that their party withdraw its backing and work together with the Communists for a broadly based coalition including both leftist parties.

Thus far, Cossiga has tried to handle the Afghanistan issue in a way that diverts attention from the government's shortcomings and forestalls the Communists' drive for Cabinet seats. Italy's inclusion in the London meeting of NATO allies enhanced the government's international stature—and perhaps bought some time for Cossiga at home. By demonstrating solidarity with the decisions taken by Italy's allies—particularly the move to bring the Afghanistan issue before the United Nations—Cossiga can argue that his government has taken another step ensuring Rome's inclusion in the first rank of NATO powers.

The government's position on Afghanistan tends to highlight the ambiguity of the Communist attitude: the Communists have "repudiated" Moscow's actions but have so far failed to call for the withdrawal of Soviet troops. The party has also charged that US countermeasures further damage detente. Even if the party toughens its criticism of Moscow, the Communists' domestic opponents will be able to say they have stopped short of a definitive break with the USSR. Cossiga undoubtedly hopes the debate will raise new doubts about the Communists' autonomy and suitability as coalition partners—at least until there is a relaxation in current international tensions.

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The Communist emphasis on preserving detente, however, is one point on which the government is vulnerable. The government will have great difficulty in associating itself with measures, such as economic sanctions, that might be viewed as an escalation of tensions and a further impediment to detente. The Communists already have raised this issue by calling on Italy and other West European countries to develop NATO and EC initiatives aimed at mediating between the superpowers. Favorable comments on this proposal from the left wing of the pivotal Socialist Party underline Cossiga's limited maneuvering room on the Afghanistan issue.

In addition to the short-term consideration of self-preservation, many Italian politicians are reluctant to alienate the Communists totally on this issue; they are convinced that some Communist involvement in the governing process will eventually be necessary to treat domestic problems effectively—even though Afghanistan may postpone the day of reckoning.

Economic Concerns

Bilateral trade flows between Italy and the Soviet Union give definite, although limited, leverage to Moscow in conducting foreign relations with Rome. The Italians are dependent upon the USSR for about 20 percent of their natural gas consumption and 5 percent of their petroleum. Rome is anticipating an acute petroleum shortfall this year, and no alternative suppliers exist for Soviet natural gas. Including both gas and oil imports, about 7.5 percent of Italy's total energy requirements are supplied by the USSR.

Italian energy policy has inadvertently increased Italy's economic dependence upon the Soviet Union. Rome has favored a switch from oil to natural gas, which now accounts for 15.5 percent of total energy consumption. The Soviet demand last fall for renegotiation of the natural gas contract angered Italian energy officials, but they admitted that no substitute for Soviet gas supplies will exist until the opening of the Trans-Mediterranean pipeline to Algeria—optimistically scheduled for 1981. Even then, Rome will wish to maintain, and increase, imports of Soviet gas to permit further switching from oil. The Soviets have made a loose commitment to increase Italian supplies once new Siberian gasfields are developed.

Trade with the Soviet Union is minor relative to total Italian commerce. Sales to the USSR last year represented an estimated 1.6 percent of total Italian exports; imports from the Soviet Union amounted to 2.6 percent of total Italian foreign purchases. Italian exports to the Soviet Union have remained virtually flat since 1977 at the \$1.1 billion level, while Italian imports of Soviet goods last year probably were around \$2.2 billion.

While Soviet exports of raw materials are increasing dramatically because of rising prices, Italian sales to the USSR are stagnating. Moscow has informed Rome that future Italian exports will be dependent upon the supply of government-backed credit.

Commercial disputes between Moscow and Rome have generally resulted in lopsided victories for the Soviets. Soviet pressure caused Rome to break the Gentlemen's Agreement on export credits in the 1977 Italian-Soviet trade agreement. The Soviets also have twice forced the Italians to rewrite a fixed-price compensation contract for natural gas. The latest revision occurred last November after the Soviets threatened to cut off supplies.

The Italians are eager to correct the trade imbalance with Moscow through increased sales. Italy sees the USSR, like the Middle East, as an area where Italian equipment does not compete at a technological disadvantage. Italian politicians also hold trade initiatives with Moscow in high regard for their propaganda value. Top-level intervention often has pushed through trade deals over the objections of state corporation managers who felt that the agreements were not commercially advantageous to Italy.

Nonenergy imports from the Soviet Union—chiefly wood, steel, and chemicals—could be purchased by the Italians from alternative sources. Most Soviet chemical imports, however, result from compensation agreements.

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Italian exports to the USSR consist mostly of machinery and equipment under major contracts to supply complete manufacturing plants and large-diameter pipe. Rome fears that 1980 will be even more unfavorable than 1979 for exports to the USSR, which are declining in real terms. Deliveries for most major Italian projects in the Soviet Union will be completed by the end of this year and few new agreements are being negotiated. Italian efforts to gain participation in Soviet offshore oil drilling activities have been fruitless. A Montedison bid for a \$2 billion contract to build a petrochemical plant will not be considered by the Soviets until the details of their new five-year plan are settled; the Italians are pessimistic about their chances of winning the contract. The Italian state steel company, FINSIDER, faces stiff German competition in a proposed \$200 million deal to construct an electric steel plant.

Rome is pinning much hope for increasing exports to the USSR on a new trade agreement signed last fall. The accord grants the Soviets \$650 million in credits, but terms have yet to be set. The trade agreement also calls for specific projects in the engineering, energy, chemical, and petrochemical fields.

A possible deal discussed during the negotiations would involve Italy's supplying nuclear components to the Soviet Union in return for the electricity produced by Soviet nuclear plants. Italian energy officials have, however, expressed reservations about the technical feasibility of importing electricity from the USSR. According to press reports, an Italian state-owned firm, Terni, just last week signed an unrelated contract to supply components for nuclear power plants to the USSR.

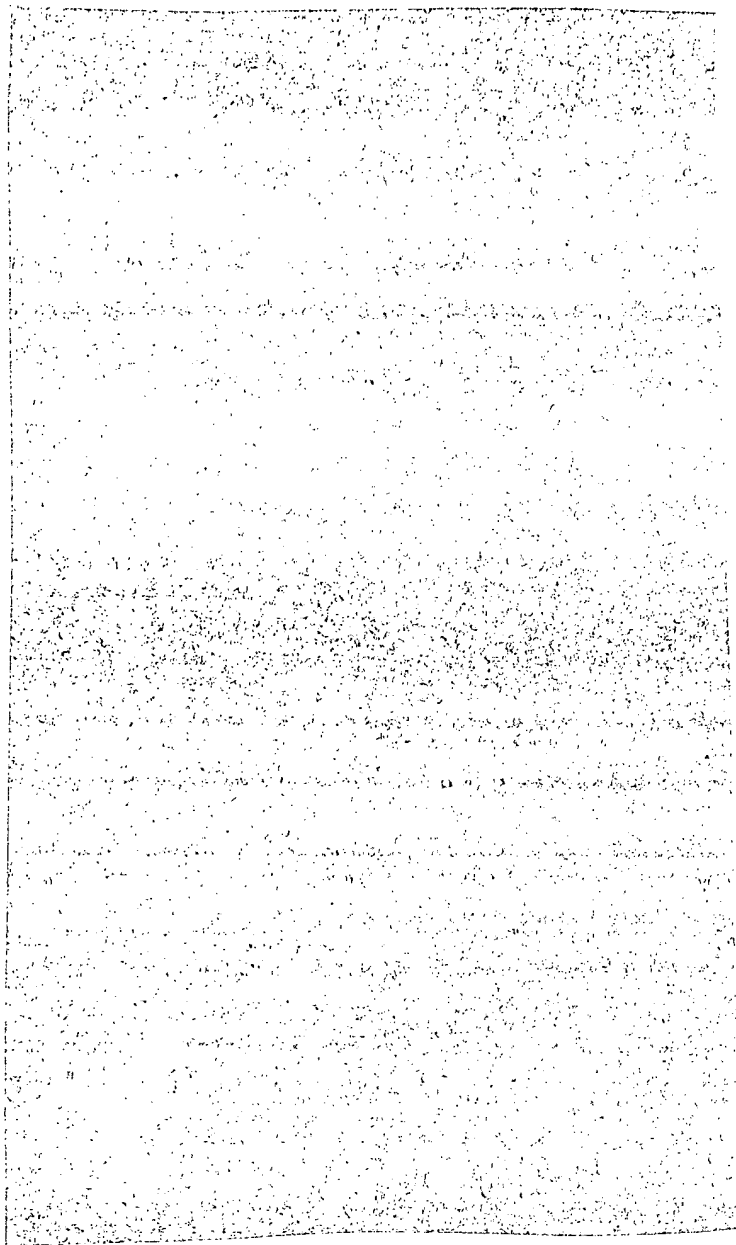
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Other COCOM Countries

The Benelux Countries

Belgium and Luxembourg have condemned the Soviet invasion of Afghanistan as a threat to peace, but neither would be likely to initiate any action of its own. They would follow West German and French leads, particularly in an EC context. The Hague is being very deliberate in its response to the Soviet invasion of Afghanistan and is currently reviewing its options.

The relative ease of incorporating a company in Belgium has made that country a major center of operations for Soviet export-import firms. Typically, joint Soviet-Belgian trading firms market Soviet raw materials in exchange for West European industrial goods. NAFTA-B, perhaps the largest of the joint Soviet-Belgian firms, handles all Soviet oil sales in Belgium and reexports to third countries such as Switzerland. In 1978, 3 percent (\$145 million) of Belgian oil imports came from the Soviet Union; of this amount, about two-thirds was reexported. Besides oil, only diamonds are an important Soviet export to Belgium. One fifth of Soviet diamond exports to the OECD countries are sold to Belgium, most to be brokered on the Antwerp diamond exchange. The value of Soviet diamond exports to Belgium in 1978, \$165 million, exceeded that of crude oil and oil products. Manufactures constitute about 90 percent of Belgian sales to the Soviets, about 60 percent of these consisting of semifinished steel products.

Trade with the Soviet Union accounts for about 1 percent of total Dutch trade. Dutch sales to the USSR, only 0.4 percent of total Dutch exports, consist mainly of chemicals, machinery, and semifinished manufactures. Petroleum products account for more than one-half of Dutch imports from the Soviet Union. However, a significant share of Soviet petroleum products are resold on the Rotterdam spot market.

Denmark

Copenhagen views the situation in Afghanistan with great seriousness and takes exception to the Soviet intervention. Although the government presently has

no plans to implement sanctions, Denmark is withdrawing a \$9.5 million loan to Afghanistan. The Danes will avoid any increase in grain exports to the USSR and will try to ensure that future grain exports are not reexported to the Soviet Union.

Although overall trade between Denmark and the Soviet Union is small, Denmark's growing dependence on Soviet oil would provide Moscow considerable leverage in retaliation against any sanctions imposed by Copenhagen. Danish exports to the USSR amounted to \$87 million, 0.8 percent of total exports, in the first nine months of 1979, up sharply from the same period a year earlier. Machinery accounts for nearly 70 percent of total exports to the Soviet Union. Danish imports from the USSR amounted to \$318 million, about 2.4 percent of total imports, and consist primarily of oil and petroleum products. Danish dependence on Soviet oil has increased rapidly in recent years—Soviet oil accounted for 5.7 percent of total Danish oil imports in 1975 and 14 percent last year.

Greece

Except for cultural ties, Soviet-Greek relations traditionally have been cool. Over the past year or so, however, Athens made an effort to improve relations with the Soviet Union, primarily in response to a perceived warming in Soviet relations with the West in general. Athens has condemned the Soviet invasion of Afghanistan, supports US countermeasures, and plans some minor actions of its own in the diplomatic area. Economic sanctions are still under study.

Greece receives about 3 percent of its total imports from the Soviet Union, with crude oil and petroleum products accounting for the bulk of purchases (86 percent in 1978). The USSR currently supplies Greece with 18,000 b/d of crude oil per year, approximately 10 percent of Greece's total oil imports, and Athens has requested a doubling of this amount. The Greeks export a variety of goods to the USSR—principally agricultural products (citrus, grapes, and tobacco) and bauxite.

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The Soviet-Greek cooperation agreement signed in 1978 provides for Soviet financing of an alumina plant in Greece. The USSR also plans to supply the electric power to the plant as well as purchase a portion of the output. The two countries have been discussing possible supply of Soviet electric power through the Yugoslav grid and future supply of natural gas to Greece using a pipeline through Bulgaria. The Soviets reportedly are prepared to fund construction of the pipeline in exchange for additional Greek agricultural products.

Norway

Although we have only limited reporting on Norwegian reactions to the Soviet invasion of Afghanistan, we expect the Norwegians will generally support US initiatives. Whether the Norwegians actively cooperate in these initiatives, however, remains to be seen. If political relations with the Soviet Union deteriorate, the Norwegian economy would be little affected. Imports from and exports to the Soviet Union account for less than 1 percent of Norwegian foreign trade. Oil products make up almost 80 percent of all imports of Soviet goods but amount to only about 2 percent of Norwegian oil consumption. Although Norway produces more oil than it consumes, its refineries cannot process enough crude oil to meet domestic demand. Moreover, most domestically produced crude oil is piped directly from the North Sea fields to the United Kingdom. Norway would have little trouble replacing Soviet oil, which is only about 3,000 b/d. Soviet purchases from Norway consist mainly of paper and paper products, special machinery, and inorganic chemicals.

Portugal

The newly installed government of Francisco Sa Carneiro recalled its Ambassador from Moscow for consultations following the Soviet intervention in Afghanistan. Sa Carneiro distrusts the Soviets and almost certainly will support US countermeasures; he is unlikely to initiate any measures of his own.

Economic ties between Portugal and the Soviet Union expanded rapidly after diplomatic ties were established in the wake of the 1974 revolution. Portuguese exports to the Soviet Union leaped from less than \$1 million in

1973 to a high of \$54 million in 1976; imports posted even greater gains, jumping from \$25,000 in 1973 to \$125 million in 1977. Fresh vegetables account for one-half of Portuguese exports; textiles and wine make up the remainder. More than 85 percent of Portuguese imports from the Soviet Union are crude oil; Soviet supplies of 15,000 b/d account for about 15 percent of Portuguese oil imports. The Soviet fishing fleet has used Portuguese shipyards for repairs and has purchased at least six fishing boats from Portugal.

Turkey

With the Turks counting on the USSR for economic aid and a major portion of their oil needs, Ankara will attempt to do nothing that would worsen its relations with the USSR. The USSR is Turkey's largest aid donor and one of the largest non-Communist recipients of Soviet economic aid.

Turkey concluded a 10-year framework agreement with the Soviet Union in 1975 calling for \$600-700 million in Soviet financial assistance to finance steel, aluminum, and thermal power plants. In 1977 the aid commitment was raised to \$1.2 billion when the Soviets agreed to finance a steel plant and an oil refinery. (The steel plant, at Samsun, is one of the Soviets' largest overseas aid projects.) As Turkey's foreign exchange situation worsened and Western lenders dried up, Turkish leaders continued to seek more funds; in 1979, they signed a three-year agreement with the USSR, including about \$860 million in Soviet aid. The Soviet Union agreed to supply about 25 percent of Turkey's oil imports during 1979-81, up from around 10 percent previously. Besides oil, the USSR agreed to sell additional supplies of iron and steel, fertilizers, chemicals, and coke in exchange for Turkish wheat, other agricultural products, wolfram, and consumer goods. Several other kinds of economic cooperation also were planned, including Soviet technical and financial assistance in oil exploration.

The agreement recently has encountered serious problems. Moscow is refusing to supply the additional oil agreed to because Turkey has failed to deliver wheat as scheduled. Foreign exchange shortages, which limit Turkey's ability to import raw materials and other industrial inputs, have cut into domestic farm and industrial output.

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Other Developed Countries

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one-half of Finnish ship production and one-third of the output of Finnish engineering industries, providing stability to these recession-prone sectors. The Finns also are involved in several construction projects in the Soviet Union.

Iceland

Iceland imports all its oil from Moscow, which charges spot prices on these sales. The surge in spot prices has pushed the Icelanders into a frantic search for a new supply source. Saudi Arabia and the United Kingdom reportedly may agree to sell crude oil to Iceland, which the Icelanders would then have refined in Europe. Icelandic sales of fish to the USSR presumably would continue because they benefit both parties.

Ireland

Oil is the major component in Irish-Soviet trade, accounting for three-fourths of Ireland's purchases from the USSR. In 1978, 6 percent of Ireland's oil imports came from the Soviet Union. Dependence rose to nearly 8 percent in the first six months of 1979. The state-owned Irish National Oil Corporation (INPC) was founded last year to obtain oil contracts directly with exporting countries. Thus far, the company has secured only one contract—for delivery of 10,000 b/d of Iraqi crude. However, if the Soviets cut off their supplies, INPC has laid the groundwork to negotiate for other supplies.

Other than oil, no clear trends in Irish-Soviet trade have emerged, and trade either way accounts for less than 1 percent of total Irish foreign trade. In spite of a 1976 economic cooperation agreement, Irish firms appear reluctant to push into Soviet markets, citing unfamiliar structures and lack of knowledge. On the other hand, the Soviets are eager to expand in the Irish market. Moscow has been pushing Dublin to allow an increase in the number of Soviet trade representatives—described by Moscow as independent businessmen—in Ireland; thus far, Dublin has refused.

Austria

Austria is unlikely to participate in any actions against the USSR because of its position as a neutral country and its heavy economic dependence on the Soviet Union. Almost 30 percent of Austrian oil and natural gas consumption is covered by purchases from the Soviet Union, which in turn account for about 70 percent of Austria's total imports from the USSR. On the export side, the Soviet Union purchases about 17 percent of Austrian exports. Most of these sales consist of sheet steel, ships, and machinery and equipment.

Finland

Finland's geographic location and major economic ties with the Soviet Union preclude strong reactions to the Soviet action in Afghanistan. During the 1970s a dramatic shift occurred in Finland's economic orientation—away from the West and toward the Soviet Union, which now accounts for 30 percent of Finnish trade. The underlying causes of this shift were the surge in world oil prices with a corresponding rise in the value of Soviet energy exports; the balancing requirements of Finnish-Soviet trade, which is conducted under barter-clearing arrangements; and the economic recession in the West. Economic dependence heightens Finland's political/strategic vulnerability to the USSR, although the Soviets also benefit from this window to the West.

The Soviet Union currently supplies almost 70 percent of Finland's total energy imports and 50 percent of domestic energy requirements. The Soviets built two of Finland's four nuclear reactors, supply their fuel, and accept their irradiated waste. In payment for Soviet imports, Finland exports about one-tenth of its industrial product to the USSR. The Soviets absorb about

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Spain

Despite the reestablishment of relations only in 1977, Spanish-Soviet trade grew rapidly in the 1970s. Spanish imports rose from \$10 million in 1970, to a peak of \$165 million in 1976, and dropped to \$110 million in 1978. More than one-half of Spanish imports from the Soviet Union consist of crude oil, coal, and petroleum products; these purchases, however, account for only 1 percent of Spain's energy imports. Sales to the Soviets have grown steadily from \$6 million in 1970 to \$145 million in 1978. About one-third of Spanish exports consist of rolled-steel structural forms, and one-half is made up of other semifinished metal products.

The activities of joint Soviet-Spanish companies, involved mostly in fishing, shipping, and the lumber trade, have proven profitable to the Spaniards. Sovihspan, a joint fishing company, pays \$40 million per year for the use of port facilities at Las Palmas, Canary Islands, which is the most important base for the Soviet Atlantic fishing fleet outside the Soviet Union.

Although Madrid hopes to expand economic relations with Moscow, the Spaniards have no illusions about the Soviets ever becoming a major trading partner. The center-right government of Prime Minister Suarez distrusts the Soviet Union—several Soviet diplomats have been expelled as spies during recent years—and would be inclined to support US sanctions.

Sweden

Sweden has not developed an extensive trade relationship with the USSR. In 1978 the USSR provided less than 3 percent of Sweden's imports and took only 1 percent of its exports. The Soviets have provided 15 percent of Swedish oil supplies but no other commodity stands out as being particularly important. While staunchly rejecting any outside control over exports of purely Swedish products, Stockholm generally has accepted controls over exports that embody high technology originating in COCOM countries. During a 1978 flap over the possible sale of a sophisticated Swedish machine tool to the USSR, Swedish officials hinted that if left alone Swedish firms probably would go along with US guidelines on an unofficial basis. The reason given was that high-technology products with no US components are rare and Swedish firms are unlikely to risk their sources of components or their markets in the United States.

Other Countries

Other smaller developed countries generally have condemned Soviet intervention but are awaiting coordinated decisions or actions by the major allies before saying much about sanctions. For practically all these countries, trade with the Soviet Union has expanded rapidly but amounts for only 1 to 2 percent of total trade. Soviet energy products, particularly oil, are the major source of concern. Although the amounts in each case are small, a Soviet cutoff of energy would put pressure on supplies and cause a scramble for alternative sources.

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Soviet Response to Economic Sanctions

At least initially, the USSR is unlikely to institute economic reprisals against those Western countries implementing economic sanctions against it. The Soviet leadership is well aware of the importance of continued access to Western technology, equipment, and grain to Soviet economic development; perceived short-term benefits of economic retaliation will likely be judged insufficient to risk the economic costs which would result from a sustained cutoff in trade by the West. Indeed, at first the USSR may feign indifference to Western action by maintaining a "business as usual" posture. This action would be consistent with traditional Soviet claims that economics should be divorced from politics and that the USSR is a dependable source of supply to the West.

[the USSR has adopted a "business as usual" posture for the time being at least.

[the chairman of the USSR's Amtorg trading corporation stated that there would be no changes in contracts in effect for the sale of Soviet equipment and technology to the United States.

Soviet reaction will ultimately be influenced by the degree of unanimity among major Western trading partners. Should West Germany, Canada, and the United Kingdom join the United States in imposing economic sanctions while France, Italy, and Japan abstain, the Soviet reaction will probably be one of

emphasizing the economic gain to those who followed the latter course of action. Moscow may become more accommodating in order to bring negotiations on major deals to fruition and thus demonstrate by example that countries participating in economic sanctions will lose contracts to those who do not. They may also "reward" nonparticipants with contracts for additional oil, natural gas, or other commodities in short supply worldwide. Moscow will also probably restrain its normal inclination to extract the best deal possible in negotiating with Western governments and firms in order to avoid the attendant publicity regarding the cost of doing business with the USSR. Countries siding with the United States may find the Soviets taking a hard line when renewing contracts for such commodities or in other economic negotiations.

It is highly unlikely that the USSR will take punitive action involving the abrogation of existing contracts. To do so, even temporarily, would substantiate long held Western fears about doing business with the USSR. Terminating deliveries of natural gas, timber, coal, and chemicals guaranteed under compensation agreements would likely preclude for an extended period Soviet ability to obtain Western participation in future resource development projects on the compensation basis the Soviets favor. Similarly, Soviet default on credit obligations would preclude future Western lending, particularly from private Western banks which hold the major share of Soviet debt.

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Statistical Appendix

UNITED STATES: Trade with USSR, 1978
(Billion U.S. \$)

| Commodity | Exports | | | Imports | | |
|---------------|----------|---------|----------------|------------|-----------|----------------|
| | To World | To USSR | USSR Share (%) | From World | From USSR | USSR Share (%) |
| FOODSTUFFS | 28709 | 1679 | 5.8 | 16287 | 7 | 0.0 |
| RAW MATERIALS | 10765 | 70 | 0.7 | 13491 | 118 | 0.9 |
| FUELS | 3980 | 31 | 0.8 | 42018 | 48 | 0.1 |
| MANUFACTURES | 95730 | 471 | 0.5 | 95897 | 69 | 0.1 |
| CINES | 4476 | 1 | 0.0 | 5555 | 303 | 5.4 |
| TOTAL TRADE | 143660 | 2252 | 1.6 | 173290 | 540 | 0.3 |

US Exports of which Significant Share Goes To U.S.S.R.
(Ranked by USSR Share)
Exports

| Commodity | To World | To USSR | USSR Share (%) |
|-------------------------|----------|---------|----------------|
| CCFM | 5302 | 1056 | 19.9 |
| WHEAT | 4335 | 356 | 8.2 |
| MISC CONSUMER | 749 | 39 | 5.2 |
| NONFERROUS ORES | 911 | 37 | 4.1 |
| SCYREANS | 5868 | 216 | 3.7 |
| PETROLEUM PRODUCT | 550 | 19 | 3.4 |
| TRACTORS | 1331 | 28 | 2.1 |
| METALWORKING MACHINERY | 1245 | 26 | 2.1 |
| ELECTRICAL MEASURING EQ | 2237 | 40 | 1.8 |
| LEATHER | 318 | 5 | 1.7 |

US Imports of which Significant Share Comes From U.S.S.R.
(Ranked by USSR Share)
Imports

| Commodity | From World | From USSR | USSR Share (%) |
|----------------------|------------|-----------|----------------|
| MICES | 247 | 9 | 3.7 |
| NONFERROUS ORES | 1376 | 38 | 2.8 |
| NONFERR MANUFACTURES | 478 | 7 | 1.4 |
| CHEMICAL ELEMENTS | 4182 | 33 | 0.8 |
| DIAMONDS | 2224 | 16 | 0.7 |
| PETROLEUM PRODUCT | 7432 | 40 | 0.5 |
| OTHER CHEMICAL | 544 | 2 | 0.4 |
| GLASS | 1051 | 3 | 0.3 |
| CEUCE MINERALS | 620 | 2 | 0.3 |
| BEVERAGES | 1768 | 4 | 0.2 |

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JAFAB: Trade with USSR, 1978
(Million U.S. \$)

| Commodity | Exports | | | Imports | | |
|---------------|----------|---------|----------------|------------|-----------|----------------|
| | To World | To USSR | USSR Share (%) | From World | From USSR | USSR Share (%) |
| FOODSTUFFS | 1167 | 2 | 0.1 | 13250 | 79 | 0.6 |
| RAW MATERIALS | 1366 | 15 | 1.1 | 15974 | 1016 | 6.4 |
| FUELS | 261 | 16 | 6.3 | 31336 | 207 | 0.7 |
| MANUFACTURES | 93848 | 2427 | 2.6 | 16782 | 84 | 0.5 |
| OTHER | 859 | 42 | 4.8 | 1390 | 21 | 1.5 |
| TOTAL TRADE | 97501 | 2502 | 2.6 | 78731 | 1409 | 1.8 |

Japanese Exports of which Significant Share Goes To U.S.S.R.
(Ranked by USSR Share)

| Commodity | Exports | | |
|----------------------|----------|---------|----------------|
| | To World | To USSR | USSR Share (%) |
| FUELS | 1066 | 169 | 15.8 |
| MACHINE PARTS | 1006 | 135 | 13.4 |
| NONFERROUS CRIS | 15 | 2 | 13.4 |
| HEAT/COOL EQUIPMENT | 1334 | 175 | 13.1 |
| PETROLEUM PRODUCT | 180 | 16 | 9.1 |
| SPERMALINE MACHINERY | 1265 | 85 | 6.7 |
| STEEL | 11790 | 726 | 6.2 |
| PLASTICS | 1417 | 84 | 5.9 |
| CLOTHING | 486 | 29 | 5.9 |
| FOOTWEAR | 64 | 4 | 5.6 |

Japanese Imports of which Significant Share Comes From U.S.S.R.
(Ranked by USSR Share)

| Commodity | Imports | | |
|----------------------|------------|-----------|----------------|
| | From World | From USSR | USSR Share (%) |
| UNREFINED NONFERROUS | 935 | 157 | 16.8 |
| COTTON | 1068 | 150 | 14.0 |
| UNREFINED ALUMINUM | 793 | 110 | 13.8 |
| WOOD | 4154 | 528 | 12.7 |
| FERTILIZERS | 146 | 15 | 10.4 |
| JEWELRY | 312 | 22 | 7.1 |
| COAL | 3084 | 133 | 4.3 |
| PLYWOOD | 643 | 18 | 2.8 |
| RUBBER | 450 | 11 | 2.4 |
| HEAT | 1349 | 31 | 2.3 |

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WEST GERMANY: Trade with USSR, 1978
(Million U.S. \$)

| Commodity | Exports | | | Imports | | |
|--------------------|---------------|-------------|----------------|---------------|-------------|----------------|
| | To World | To USSR | USSR Share (%) | From World | From USSR | USSR Share (%) |
| PRECIOUS METALS | 6912 | 15 | 0.2 | 18368 | 31 | 0.2 |
| RAW MATERIALS | 3878 | 13 | 0.3 | 11056 | 321 | 2.9 |
| FUELS | 4509 | 11 | 0.2 | 19538 | 764 | 4.0 |
| MANUFACTURES | 124047 | 3065 | 2.5 | 68684 | 487 | 0.7 |
| OTHER | 2743 | 37 | 1.4 | 3021 | 866 | 28.7 |
| TOTAL TRADE | 142050 | 3141 | 2.2 | 120668 | 2489 | 2.1 |

West German Exports of which Significant Share Goes To U.S.S.R.
(Ranked by USSR Share)

| Commodity | Exports | | |
|------------------------|----------|---------|----------------|
| | To World | To USSR | USSR Share (%) |
| METALWORKING MACHINERY | 2670 | 387 | 14.5 |
| STEEL | 8762 | 1012 | 11.6 |
| TRAINS | 352 | 25 | 7.2 |
| POWER GEN EQUIPMENT | 1452 | 82 | 5.7 |
| CHEM INDUSTRIAL MACH | 8717 | 461 | 5.3 |
| REFRIGERATORS | 750 | 39 | 5.2 |
| HEAT/COOL EQUIPMENT | 1429 | 64 | 4.4 |
| PUMPS | 2265 | 91 | 4.0 |
| ELECTRICAL APPARATUS | 3409 | 110 | 3.2 |
| CRANE LIFT TRUCKS | 1657 | 50 | 3.0 |

West German Imports of which Significant Share Comes From U.S.S.R.
(Ranked by USSR Share)

| Commodity | Imports | | |
|--------------------|------------|-----------|----------------|
| | From World | From USSR | USSR Share (%) |
| COTTON | 359 | 55 | 15.3 |
| DIAMONDS | 475 | 77 | 16.2 |
| PETROLEUM PRODUCT | 6110 | 775 | 12.7 |
| CHEMICAL ELEMENTS | 3657 | 339 | 9.3 |
| Wool | 1274 | 82 | 6.4 |
| HIDES | 471 | 24 | 5.1 |
| UNREFINED COPPER | 879 | 44 | 5.0 |
| CRUDE MINERALS | 756 | 29 | 3.8 |
| PULP | 774 | 28 | 3.6 |
| UNREFINED ALUMINUM | 474 | 9 | 1.9 |

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FRANCE: Trade with USSR, 1978
(Million U.S. \$)

| Commodity | Exports | | | Imports | | |
|--------------------|--------------|-------------|----------------|--------------|-------------|----------------|
| | To World | To USSR | USSR Share (%) | From World | From USSR | USSR Share (%) |
| FOODSTUFFS | 11856 | 48 | 0.4 | 11500 | 40 | 0.4 |
| RAW MATERIALS | 3734 | 11 | 0.3 | 6532 | 250 | 3.8 |
| FUELS | 2047 | 3 | 0.1 | 15937 | 606 | 3.8 |
| MANUFACTURES | 56488 | 1392 | 2.4 | 47453 | 129 | 0.7 |
| OTHER | 329 | 2 | 0.6 | 442 | 0 | 0.1 |
| TOTAL TRADE | 76494 | 1455 | 1.9 | 81865 | 1225 | 1.5 |

French Exports of which Significant Share Goes to U.S.S.R.
(Ranked by USSR Share)

| Exports | | | |
|-------------------------|----------|---------|----------------|
| Commodity | To World | To USSR | USSR Share (%) |
| HEAT/COOL EQUIPMENT | 845 | 128 | 15.1 |
| METALWORKING MACHINERY | 477 | 43 | 9.0 |
| MACHINE PARTS | 825 | 61 | 7.4 |
| PUMPS | 986 | 73 | 7.4 |
| CHEMICAL ELEMENTS | 3776 | 245 | 6.5 |
| BOOKS, MAGAZINES | 602 | 35 | 5.8 |
| CITRUS INDUSTRIAL MACH | 1846 | 100 | 5.4 |
| STEEL | 4862 | 251 | 5.2 |
| ELECTRICAL APPARATUS | 915 | 41 | 4.5 |
| ELECTRICAL MEASURING EQ | 456 | 20 | 4.4 |

French Imports of which Significant Share Comes From U.S.S.R.
(Ranked by USSR Share)

| Imports | | | |
|--------------------|------------|-----------|----------------|
| Commodity | From World | From USSR | USSR Share (%) |
| COTTON | 321 | 59 | 18.6 |
| PETROLEUM PRODUCT | 1195 | 213 | 17.8 |
| WCCO | 681 | 64 | 9.3 |
| UNREFINED ALUMINUM | 346 | 32 | 9.2 |
| CHEMICAL ELEMENTS | 3021 | 247 | 8.2 |
| COAL | 1346 | 56 | 4.2 |
| PULP | 525 | 19 | 3.6 |
| CRUDE PETROLEUM | 12058 | 326 | 2.7 |
| FISH | 812 | 22 | 2.7 |
| CRUDE MINERALS | 545 | 14 | 2.5 |

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UNITED KINGDOM: Trade with USSR, 1978
(Million U.S. \$)

| Commodity | Exports | | | Imports | | |
|---------------|----------|---------|----------------|------------|-----------|----------------|
| | To World | To USSR | USSR Share (%) | From World | From USSR | USSR Share (%) |
| FOODSTUFFS | 3709 | 53 | 0.9 | 12806 | 11 | 0.1 |
| RAW MATERIALS | 2876 | 98 | 3.4 | 6991 | 284 | 4.1 |
| FUELS | 4497 | 6 | 0.1 | 9220 | 511 | 5.5 |
| MANUFACTURES | 51658 | 649 | 1.3 | 43823 | 129 | 0.3 |
| OTHER | 6742 | 7 | 0.1 | 5584 | 385 | 6.9 |
| TOTAL TRADE | 71483 | 812 | 1.1 | 78425 | 1320 | 1.7 |

UK Exports of which Significant Share Goes To U.S.S.R.
(Ranked by USSR Share)

| Commodity | Exports | | |
|---------------------|----------|---------|----------------|
| | To World | To USSR | USSR Share (%) |
| POWER GEN EQUIPMENT | 556 | 64 | 11.6 |
| OTHER CEREALS | 337 | 30 | 8.6 |
| UNBROUGHT MEMBERS | 770 | 64 | 8.3 |
| FIBRES | 578 | 24 | 4.2 |
| YARN | 667 | 30 | 4.5 |
| CHEMICAL ELEMENTS | 2637 | 127 | 4.8 |
| FURFS | 988 | 39 | 3.9 |
| SHIPS | 731 | 25 | 3.4 |
| FISH | 277 | 3 | 1.1 |
| HEAT/COOL EQUIPMENT | 492 | 15 | 3.0 |

UK Imports of which Significant Share Comes From U.S.S.R.
(Ranked by USSR Share)

| Commodity | Imports | | |
|-------------------|------------|-----------|----------------|
| | From World | From USSR | USSR Share (%) |
| COTTON | 186 | 30 | 16.4 |
| WOOL | 1152 | 185 | 16.1 |
| PETROLEUM PRODUCT | 1874 | 239 | 12.7 |
| RUBBER | 376 | 36 | 9.6 |
| DIAMONDS | 4682 | 385 | 8.2 |
| COAL | 170 | 9 | 5.3 |
| CRUDE PETROLEUM | 6768 | 263 | 3.9 |
| IRON ORE | 335 | 11 | 3.4 |
| PLYWOOD | 734 | 20 | 2.7 |
| PIG IRON | 205 | 5 | 2.6 |

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ITALY: Trade with USSR, 1978
(Million U.S. \$)

| Commodity | Exports | | | Imports | | |
|---------------|----------|---------|----------------|------------|-----------|----------------|
| | To World | To USSR | USSR Share (%) | From World | From USSR | USSR Share (%) |
| FOODSTUFFS | 3876 | 53 | 1.4 | 5547 | 14 | 0.1 |
| RUB MATERIALS | 978 | 3 | 0.3 | 7525 | 215 | 2.9 |
| FUELS | 3295 | 5 | 0.2 | 13346 | 1218 | 9.1 |
| MANUFACTURES | 47633 | 1072 | 2.3 | 24306 | 67 | 0.4 |
| OTHER | 247 | 0 | 0.0 | 251 | 0 | 0.1 |
| TOTAL TRADE | 56048 | 1133 | 2.0 | 55115 | 1335 | 2.8 |

Italian Exports of which Significant Share Goes to U.S.S.R.
(Ranked by USSR Share)

| Commodity | Exports | | |
|-------------------------|----------|---------|----------------|
| | To World | To USSR | USSR Share (%) |
| IRON | 213 | 43 | 20.1 |
| METALWORKING MACHINERY | 676 | 81 | 11.9 |
| MACHINE PARTS | 803 | 90 | 11.2 |
| STEEL | 3151 | 311 | 9.9 |
| LEATHERS | 564 | 53 | 9.4 |
| ELECTRICAL MEASURING EQ | 123 | 10 | 8.2 |
| PUMPS | 706 | 53 | 7.6 |
| ELECTRICAL MECH EQ | 54 | 4 | 7.5 |
| HEAT/COOL EQUIPMENT | 772 | 51 | 6.6 |
| POWER GEN EQUIPMENT | 265 | 15 | 5.6 |

Italian Imports of which Significant Share Comes From U.S.S.R.
(Ranked by USSR Share)

| Commodity | Imports | | |
|----------------------|------------|-----------|----------------|
| | From World | From USSR | USSR Share (%) |
| GAS FIEC | 650 | 312 | 47.9 |
| PETROLEUM PRODUCT | 1154 | 174 | 15.1 |
| COTTON | 379 | 33 | 8.7 |
| WOOL | 1153 | 94 | 7.9 |
| COAL | 754 | 55 | 7.3 |
| CRUDE PETROLEUM | 10787 | 677 | 6.3 |
| IRON ORE | 941 | 49 | 5.3 |
| FERTILIZER | 15 | 9 | 4.5 |
| NONFERR MANUFACTURES | 77 | 3 | 3.7 |
| PLYWOOD | 127 | 5 | 3.6 |

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CANADA: Trade with USSR, 1978
(Million U.S. \$)

| Commodity | Exports | | | Imports | | |
|--------------------|--------------|------------|----------------|--------------|-----------|----------------|
| | To World | To USSR | USSR Share (%) | From World | From USSR | USSR Share (%) |
| FOODSTUFFS | 5038 | 289 | 5.7 | 3381 | 0 | 0.0 |
| RAW MATERIALS | 10170 | 30 | 0.3 | 1775 | 1 | 0.0 |
| FUELS | 4615 | 0 | 0.0 | 3770 | 0 | 0.0 |
| MANUFACTURES | 23829 | 160 | 0.7 | 32268 | 24 | 0.1 |
| OTHER | 227 | 0 | 0.1 | 503 | 1 | 0.2 |
| TOTAL TRADE | 44060 | 478 | 1.1 | 41657 | 26 | 0.1 |

Canadian Exports of which Significant Share Goes To U.S.S.R.
(Ranked by USSR Share)

| Commodity | Exports | | |
|---------------------|----------|---------|----------------|
| | To World | To USSR | USSR Share (%) |
| COFFEE | 43 | 18 | 41.2 |
| PUMES | 42 | 9 | 20.3 |
| WHEAT | 1612 | 252 | 15.6 |
| CHEMICAL ELEMENTS | 1087 | 86 | 7.9 |
| YARN | 29 | 1 | 3.9 |
| OTHER CEREALS | 492 | 19 | 3.8 |
| MACHINE PARTS | 142 | 5 | 3.6 |
| POWER GEN EQUIPMENT | 404 | 12 | 3.0 |
| NONFERROUS METALS | 1307 | 25 | 1.9 |
| TRUCKS | 2481 | 32 | 1.3 |

Canadian Imports of which Significant Share Comes From U.S.S.R.
(Ranked by USSR Share)

| Commodity | Imports | | |
|------------------------|------------|-----------|----------------|
| | From World | From USSR | USSR Share (%) |
| POWER GEN EQUIPMENT | 121 | 9 | 7.2 |
| WATCHES | 108 | 2 | 1.6 |
| JEWELRY | 123 | 1 | 0.6 |
| FABRICS | 500 | 4 | 0.6 |
| DIAMONDS | 81 | 0 | 0.5 |
| COIN | 77 | 0 | 0.4 |
| METALWORKING MACHINERY | 265 | 1 | 0.3 |
| PLYWOOD | 177 | 1 | 0.3 |
| PAPER | 402 | 1 | 0.3 |
| WIGS | 111 | 0 | 0.3 |

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BELGIUM/LUXEMBOURG: Trade with USSR, 1978
(Million US \$)

| Commodity | Exports | | | Imports | | |
|---------------|----------|---------|----------------|------------|-----------|----------------|
| | To World | To USSR | USSR Share (%) | From World | From USSR | USSR Share (%) |
| TEXTILES | 4277 | 8 | 0.2 | 6159 | 8 | 0.1 |
| RAW MATERIALS | 2259 | 5 | 0.2 | 4275 | 75 | 1.8 |
| FUELS | 1912 | 2 | 0.1 | 5986 | 159 | 2.7 |
| MANUFACTURES | 31988 | 314 | 1.0 | 28254 | 58 | 0.2 |
| OTHER | 4355 | 21 | 0.5 | 3553 | 169 | 4.8 |
| TOTAL TRADE | 44793 | 350 | 0.8 | 48268 | 469 | 1.0 |

BELGIUM Exports of which Significant Share Goes To USSR
(Ranked by USSR Share)

| Commodity | Exports | | |
|--------------------------|----------|---------|----------------|
| | To World | To USSR | USSR Share (%) |
| FUELS | 239 | 21 | 8.8 |
| STEEL | 4849 | 153 | 3.1 |
| OTHER CEREALS | 167 | 5 | 3.0 |
| OTHER CHEMICALS | 579 | 14 | 2.4 |
| YARN | 567 | 11 | 1.9 |
| METAL/COAL EQUIPMENT | 241 | 4 | 1.6 |
| HAND TOOLS | 103 | 2 | 1.9 |
| GOODS WES | 1536 | 21 | 1.3 |
| CHEMICAL INDUSTRIAL WARE | 478 | 5 | 1.0 |
| CHEMICAL ELEMENTS | 2030 | 21 | 1.0 |

BELGIUM Imports of which Significant Share Comes From USSR
(Ranked by USSR Share)

| Commodity | Imports | | |
|-------------------------|------------|-----------|----------------|
| | From World | From USSR | USSR Share (%) |
| COTTON | 61 | 11 | 18.1 |
| WCOE | 479 | 43 | 9.0 |
| PETROLEUM PRODUCTS | 1146 | 89 | 7.7 |
| FERTILIZER | 222 | 13 | 5.8 |
| DIAMONDS | 2925 | 165 | 5.6 |
| FIS IFCH | 106 | 5 | 4.7 |
| NONFERROUS MANUFACTURES | 91 | 4 | 4.3 |
| CRUDE PETROLEUM | 3173 | 57 | 1.8 |
| FISH | 279 | 5 | 1.8 |
| COAL | 791 | 13 | 1.6 |

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DANMARK: Trade with USSR, 1978
(Million US \$)

| Commodity | Exports | | | Imports | | |
|---------------|----------|---------|----------------|------------|-----------|----------------|
| | To World | To USSR | USSR Share (%) | From World | From USSR | USSR Share (%) |
| FOODSTUFFS | 4203 | 9 | 0.2 | 1845 | 5 | 0.2 |
| RAW MATERIALS | 701 | 1 | 0.1 | 821 | 12 | 1.5 |
| FUELS | 298 | 0 | 0.0 | 2303 | 261 | 11.3 |
| MANUFACTURES | 6442 | 51 | 0.8 | 9720 | 25 | 0.3 |
| OTHER | 32 | 0 | 0.0 | 67 | 0 | 0.1 |
| TOTAL TRADE | 11676 | 61 | 0.5 | 14777 | 302 | 2.0 |

DANISH Exports of which Significant Share Goes To USSR
(Ranked by USSR Share)

| Commodity | Exports | | |
|-------------------------|----------|---------|----------------|
| | To World | To USSR | USSR Share (%) |
| ELECTRICAL MEASURING EQ | 133 | 6 | 5.5 |
| SHIPS | 287 | 15 | 5.2 |
| HEAT/COOL EQUIPMENT | 229 | 11 | 5.0 |
| PAPEIRS | 77 | 2 | 3.1 |
| CAR ENGINES | 113 | 2 | 1.8 |
| OTHER CEREALS | 189 | 3 | 1.7 |
| FRICKS/GRAPES | 42 | 1 | 1.6 |
| FIBERS | 6 | 0 | 1.4 |
| SCIENTIFIC INSTRUMENTS | 91 | 1 | 1.1 |
| ELECTRICAL MEDICAL EQ | 32 | 0 | 1.0 |

DANISH Imports of which Significant Share Comes From USSR
(Ranked by USSR Share)

| Commodity | Imports | | |
|--------------------|------------|-----------|----------------|
| | From World | From USSR | USSR Share (%) |
| CRUDE PETROLEUM | 782 | 151 | 19.3 |
| PETROLEUM PRODUCTS | 1231 | 110 | 8.9 |
| FIG IFCE | 15 | 1 | 6.0 |
| WCCD | 253 | 10 | 3.9 |
| IRON ORE | 24 | 1 | 2.3 |
| FISH | 216 | 4 | 1.7 |
| PAPEIRS | 216 | 4 | 1.6 |
| CARS | 481 | 6 | 1.6 |
| CRUDE MINERALS | 78 | 1 | 1.2 |
| LEATHER | 68 | 1 | 0.9 |

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GREECE: Trade with USSR, 1978
(Million US \$)

| Commodity | Exports | | | Imports | | |
|--------------------|-------------|-----------|----------------|-------------|------------|----------------|
| | To World | To USSR | USSR Share (%) | From World | From USSR | USSR Share (%) |
| FOODSTUFFS | 1059 | 70 | 6.3 | 696 | 3 | 0.4 |
| RAW MATERIALS | 425 | 10 | 2.4 | 525 | 13 | 2.6 |
| FUELS | 321 | 1 | 0.2 | 1429 | 228 | 16.0 |
| MANUFACTURES | 1527 | 15 | 1.0 | 5001 | 20 | 0.4 |
| OTHER | 4 | 0 | 0.0 | 3 | 0 | 0.0 |
| TOTAL TRADE | 3375 | 95 | 2.8 | 7655 | 264 | 3.5 |

GREEK Exports of which Significant Share Goes to USSR
(Ranked by USSR Share)

| Commodity | Exports | | |
|--------------------|----------|---------|----------------|
| | To World | To USSR | USSR Share (%) |
| UNREFINED CRUDE | 58 | 10 | 17.2 |
| TOBACCO | 214 | 32 | 15.0 |
| FRUIT | 445 | 32 | 7.2 |
| BEVERAGES | 45 | 3 | 6.7 |
| YARN | 240 | 11 | 4.6 |
| CHEMICAL ELEMENTS | 45 | 2 | 4.4 |
| EGGS | 4 | 0 | 0.0 |
| OTHER CEREALS | 55 | 1 | 1.8 |
| CRUDE MATERIAL NES | 12 | 0 | 0.0 |
| LEATHER | 74 | 1 | 1.4 |

GREEK Imports of which Significant Share Comes from USSR
(Ranked by USSR Share)

| Commodity | Imports | | |
|--------------------|------------|-----------|----------------|
| | From World | From USSR | USSR Share (%) |
| GRAIN | 6 | 1 | 21.2 |
| CRUDE PETROLEUM | 1180 | 210 | 17.8 |
| PIG IRON | 7 | 1 | 14.3 |
| Wool | 112 | 11 | 10.0 |
| TRANSISTORS | 12 | 1 | 8.3 |
| CC&I | 23 | 2 | 8.7 |
| FIREARMS | 3 | 0 | 0.0 |
| PETROLEUM PRODUCTS | 224 | 16 | 7.2 |
| FISH | 45 | 2 | 4.4 |
| FACTORY | 61 | 1 | 1.6 |

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UNITED ISLANDS: Trade with USSR, 1978
(Million US \$)

| Commodity | Exports | | | Imports | | |
|--------------------|--------------|------------|----------------|--------------|------------|----------------|
| | To World | To USSR | USSR Share (%) | From World | From USSR | USSR Share (%) |
| FOODSTUFFS | 11199 | 26 | 0.2 | 8520 | 12 | 0.1 |
| RAW MATERIALS | 3413 | 46 | 1.5 | 2978 | 67 | 2.2 |
| FUELS | 8023 | 2 | 0.0 | 8253 | 338 | 4.1 |
| MANUFACTURES | 26929 | 136 | 0.5 | 31853 | 61 | 0.2 |
| OTHER | 857 | 1 | 0.1 | 1438 | 56 | 4.0 |
| TOTAL TRADE | 50149 | 210 | 0.4 | 53041 | 535 | 1.0 |

UNITED ISLANDS Exports of which Significant Share Goes To USSR
(Ranked by USSR Share)

| Commodity | Exports | | |
|-------------------------|----------|---------|----------------|
| | To World | To USSR | USSR Share (%) |
| WICES | 170 | 35 | 20.3 |
| POWER GEN EQUIPMENT | 123 | 14 | 11.7 |
| METALWORKING MACHINERY | 72 | 4 | 6.2 |
| OTHER CEREALS | 141 | 6 | 4.1 |
| PERFUMES | 332 | 11 | 3.4 |
| TEXTILE MACHINERY | 131 | 3 | 2.6 |
| CROSS RUBBER | 195 | 5 | 2.5 |
| ELECTRICAL MEASURING EQ | 210 | 5 | 2.3 |
| STEEL | 1651 | 22 | 1.3 |
| UNREFINED COPPER | 163 | 2 | 1.1 |

UNITED ISLANDS Imports of which Significant Share Comes From USSR
(Ranked by USSR Share)

| Commodity | Imports | | |
|--------------------|------------|-----------|----------------|
| | From World | From USSR | USSR Share (%) |
| COTTON | 45 | 9 | 19.5 |
| PETROLEUM PRODUCTS | 1660 | 324 | 19.5 |
| UNREFINED COPPER | 39 | 7 | 17.5 |
| DIAMONDS | 593 | 56 | 9.4 |
| WCC | 712 | 32 | 4.6 |
| IRON ORE | 124 | 5 | 4.2 |
| FERTILIZER | 97 | 4 | 4.2 |
| PULP | 230 | 6 | 2.6 |
| FISH | 239 | 5 | 2.2 |
| CHEMICAL ELEMENTS | 1814 | 24 | 1.3 |

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NORWAY: Trade with USSR, 1978
(Million US \$)

| Commodity | Exports | | | Imports | | |
|--------------------|--------------|-----------|----------------|--------------|------------|----------------|
| | To World | To USSR | USSR Share (%) | From World | From USSR | USSR Share (%) |
| FOOTSTUFFS | 538 | 1 | 0.1 | 921 | 3 | 0.3 |
| RAW MATERIALS | 1812 | 1 | 0.0 | 605 | 4 | 0.6 |
| FUELS | 2058 | 5 | 0.2 | 1353 | 23 | 0.1 |
| MANUFACTURES | 5187 | 82 | 1.6 | 8524 | 12 | 0.1 |
| OTHER | 11 | 0 | 0.5 | 32 | 0 | 0.0 |
| TOTAL TRADE | 10027 | 89 | 0.9 | 11435 | 102 | 0.9 |

NORWEGIAN Exports of which Significant Share Goes To USSR
(Ranked by USSR Share)

| Exports | | | |
|-------------------------|----------|---------|----------------|
| Commodity | To World | To USSR | USSR Share (%) |
| VEGETABLES | 1 | 0 | 23.7 |
| OTHER INDUSTRIAL MACH | 155 | 35 | 22.4 |
| FAFFICS | 26 | 3 | 10.4 |
| CHEMICAL ELEMENTS | 210 | 12 | 5.5 |
| PAPER | 433 | 22 | 5.1 |
| ELECTRICAL MEASURING EQ | 20 | 1 | 4.9 |
| LEATHER | 20 | 1 | 4.6 |
| GCCES RES | 1 | 0 | 4.5 |
| PAINTS | 42 | 1 | 2.6 |
| COMPUTERS | 32 | 1 | 2.5 |

NORWEGIAN Imports of which Significant Share Comes From USSR
(Ranked by USSR Share)

| Imports | | | |
|--------------------|------------|-----------|----------------|
| Commodity | From World | From USSR | USSR Share (%) |
| IRON ORE | 3 | 1 | 24.3 |
| CRUDE PETROLEUM | 825 | 68 | 8.2 |
| FISH | 27 | 2 | 8.0 |
| UNREFINED ALUMINUM | 11 | 1 | 7.4 |
| GAS, ELECTRICITY | 61 | 3 | 4.5 |
| CRUDE RUBBER | 11 | 1 | 4.6 |
| FERTILIZERS | 25 | 1 | 4.1 |
| RICES | 8 | 0 | 3.6 |
| PETROLEUM PRODUCTS | 384 | 12 | 3.1 |
| COTTON | 4 | 0 | 2.0 |

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PORTUGAL: Trade with USSR, 1978
(million US \$)

| Commodity | Exports | | | Imports | | |
|---------------|----------|---------|----------------|------------|-----------|----------------|
| | To World | To USSR | USSR Share (%) | From World | From USSR | USSR Share (%) |
| FOOTWEAR | 364 | 27 | 7.5 | 849 | 6 | 0.7 |
| RAW MATERIALS | 274 | 1 | 0.3 | 497 | 5 | 1.0 |
| FOODS | 42 | 0 | 0.0 | 816 | 82 | 10.0 |
| MANUFACTURES | 1657 | 12 | 0.7 | 2933 | 3 | 0.1 |
| OTHER | 91 | 0 | 0.0 | 47 | 0 | 0.0 |
| TOTAL TRADE | 2429 | 40 | 1.7 | 5142 | 95 | 1.9 |

PORTUGUESE Exports of which Significant Share Goes To USSR
(Ranked by USSR Share)
Exports

| Commodity | To World | To USSR | USSR Share (%) |
|-------------------------|----------|---------|----------------|
| VEGETABLES | 66 | 21 | 31.5 |
| IRONS | 5 | 1 | 20.0 |
| CHEMICAL ELEMENTS | 9 | 1 | 11.1 |
| FOOTWEAR | 63 | 4 | 6.3 |
| NONFERROUS MANUFACTURES | 10 | 1 | 10.0 |
| FISH | 84 | 3 | 3.6 |
| FRUIT | 17 | 0 | 0.0 |
| CRUDE MATERIALS | 18 | 0 | 0.0 |
| BEVERAGES | 163 | 3 | 1.8 |
| TEXTILES | 156 | 3 | 1.9 |

PORTUGUESE Imports of which Significant Share Comes From USSR
(Ranked by USSR Share)

| Commodity | Imports | | |
|-----------------|------------|-----------|----------------|
| | From World | From USSR | USSR Share (%) |
| CRUDE PETROLEUM | 649 | 81 | 12.5 |
| FISH | 58 | 6 | 10.3 |
| IRON ORE | 21 | 1 | 4.8 |
| FERTILIZER | 8 | 0 | 0.0 |
| TOYS | 11 | 0 | 0.0 |
| COTTON | 155 | 3 | 1.9 |
| PAPEL | 39 | 1 | 2.6 |
| CRUDE MINERALS | 42 | 0 | 0.0 |
| TRACTORS | 48 | 0 | 0.0 |
| JEWELRY | 0 | 0 | 0.0 |

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**Major COCOM Countries:
Trade With the USSR,
Jan-Sep 1979**

| | Exports | | | Imports | | |
|----------------|-----------------------------|----------------------------|--------------------------------------|-------------------------------|------------------------------|--------------------------------------|
| | To World (Billion US \$) | To USSR (Billion US \$) | USSR Share [*] (Percent) | From World (Billion US \$) | From USSR (Billion US \$) | USSR Share [*] (Percent) |
| Major COCOM | 896.6 | 10.3 | 1.8 | 946.3 | 8.4 | 1.4 |
| United States | 130.2 | 2.5 | 1.9 | 157.8 | 0.3 | 0.3 |
| Canada | 41.5 | 0.3 | 0.8 | 44.4 | negl. | 0.1 |
| Japan | 74.3 | 1.9 | 2.5 | 77.9 | 1.3 | 1.7 |
| France | 71.8 | 1.5 | 2.1 | 76.1 | 1.2 | 1.6 |
| Italy | 30.0 | 0.8 | 1.6 | 31.9 | 1.3 | 2.6 |
| United Kingdom | 63.1 | 0.7 | 1.0 | 73.4 | 1.2 | 1.7 |
| West Germany | 123.7 | 2.6 | 2.1 | 113.8 | 2.7 | 2.4 |

^{*} Derived from unrounded data.

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**Selected Western Countries:
Share of Total and Energy
Imports From the USSR, 1978**

Percent

| | Total Imports | Of which: Energy | Of which: Coal | Crude Oil | Oil Products | Gas/Electricity |
|--------------------------|------------------|---------------------|-------------------|------------|-------------------|------------------|
| COCOM¹ | 1.4 | 3.8 | 4.8 | 4.4 | 7.9 | 6.8 |
| United States | 0.3 | 0.1 | 0 | NEGL | 0.3 | 0 |
| Canada | 0.1 | 0 | 0 | 0 | 0 | 0 |
| Japan | 1.8 | 0.7 | 4.3 | 0 | 2.3 | 0 |
| Belgium/Luxembourg | 1.0 | 2.7 | 1.6 | 1.8 | 7.7 | 0.1 |
| Denmark | 2.0 | 11.3 | 0 | 19.3 | 8.9 | 0 |
| France | 1.5 | 3.8 | 4.2 | 2.7 | 17.8 | 0.6 |
| Greece | 3.5 | 16.8 | 8.1 | 17.8 | 7.3 | 0 |
| Italy | 2.8 | 9.1 | 7.3 | 6.3 | 15.1 | 47.9 |
| Netherlands | 1.0 | 4.1 | 0.7 | 0.2 | 19.5 | 0.1 |
| Norway | 0.9 | 6.1 | 0 | 8.2 | 3.1 | 4.9 |
| Portugal | 1.9 | 10.8 | 0 | 12.5 | 0 | 0.3 |
| United Kingdom | 1.7 | 5.5 | 3.3 | 3.9 | 12.7 | 0.1 |
| West Germany | 2.1 | 4.8 | 1.9 | 0 | 12.7 ² | 0.1 ² |
| Other OECD | 3.8 | 16.5 | 7.3 | 1.4 | 27.2 | 4.3 |
| Australia | NEGL | 0 | 0 | 0 | 0 | 0 |
| Austria | 2.0 | 28.1 | 18.2 | 24.3 | 1.2 | 85.5 |
| Finland | 18.8 | 66.4 | 36.1 | 66.1 | 66.6 | 79.5 |
| Ireland | 0.7 | 5.3 | 0 | 0 | 8.9 | 0 |
| Spain | 0.6 | 1.8 | 3.1 | 0.9 | 2.3 | 0.1 |
| Sweden | 2.7 | 13.5 | 17.9 | 7.7 | 19.3 | 0 |
| Switzerland | 2.2 | 21.7 | 3.5 | 6.5 | 28.5 | 0 |

¹ Excluding data for Turkey.

² West German natural gas imports are included under oil products.

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**Selected Western Countries:
Value of Total and Energy
Imports From the USSR, 1978**

Million US \$

| | Total Imports | Of which: Energy | Of which: Coal | Crude Oil | Oil Products | Gas/Electricity |
|--------------------------|------------------|---------------------|-------------------|--------------|------------------|-----------------|
| COCOM¹ | 18,831 | 4,521 | 277 | 1,853 | 2,862 | 326 |
| United States | 540 | 44 | 0 | 3 | 40 | 0 |
| Canada | 26 | 0 | 0 | 0 | 0 | 0 |
| Japan | 1,409 | 287 | 133 | 3 | 70 | 0 |
| Belgium/Luxembourg | 469 | 199 | 13 | 57 | 89 | 1 |
| Denmark | 302 | 262 | 0 | 151 | 110 | 0 |
| France | 1,225 | 686 | 56 | 28 | 213 | 8 |
| Greece | 264 | 228 | 2 | 210 | 16 | 0 |
| Italy | 1,535 | 1,218 | 55 | 677 | 174 | 312 |
| Netherlands | 535 | 338 | 2 | 12 | 324 | NEG1 |
| Norway | 102 | 83 | 0 | 68 | 12 | 3 |
| Portugal | 95 | 62 | 0 | 81 | 0 | NEG1 |
| United Kingdom | 1,320 | 511 | 9 | 263 | 239 | NEG1 |
| West Germany | 2,489 | 784 | 7 | 0 | 775 ² | 2 ¹ |
| Other OECD | 3,388 | 2,484 | 177 | 1,887 | 1,838 | 302 |
| Australia | 6 | 0 | 0 | 0 | 0 | 0 |
| Austria | 608 | 482 | 50 | 201 | 4 | 227 |
| Finland | 1,475 | 1,168 | 94 | 691 | 300 | 73 |
| Ireland | 48 | 36 | 0 | 0 | 38 | 0 |
| Spain | 112 | 55 | 7 | 44 | 4 | 0 |
| Sweden | 549 | 451 | 24 | 123 | 304 | 0 |
| Switzerland | 516 | 418 | 2 | 28 | 388 | 0 |

¹ Excluding data for Turkey.

² West German natural gas imports are included under oil products.

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**Selected COCOM Countries:
Dependence on the USSR for
Various Metals and Minerals, 1978**

Percent of Total Imports

| | United States | Japan | France | Italy | United Kingdom | West Germany |
|---------------------------|---------------|-------|--------|-------|----------------|--------------|
| Chromium/ Chromium Ore | 14 | 6 | 9 | 4 | 0 | 11 |
| Cobalt | 0 | 0 | 0 | 0 | 0 | 0 |
| Magnesium | 0 | 4 | 13 | 0 | 0 | 5 |
| Platinum | 1 | 32 | 13 | 2 | 6 | 14 |
| Tungsten | 0 | NA | 0 | 0 | 0 | 0 |
| Titanium | 41 | NA | 0 | 0 | 0 | 0 |
| Palladium | 32 | 82 | 78 | NA | NA | 31 |
| Rhodium | 17 | 48 | 9 | NA | NA | NA |

NA indicates Not Available.

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**Estimated Western Financial
Exposure to the USSR,¹
(As of 30 June 1979)**

Billion US \$

| | Commercial Bank | Government Guaranteed ² | Total Exposure |
|--------------------|--------------------|---------------------------------------|-------------------|
| COCOM | | | |
| United States | 0.4 | 0.4 | 0.8 |
| Belgium/Luxembourg | 1.0 | 0.1 | 1.1 |
| France | 2.2 | 4.3 | 6.5 |
| Italy | 0.9 | 2.4 | 3.3 |
| Other OECD | | | |
| Austria | 0.3 | 0.5 | 0.8 |
| Switzerland | 0.8 | 0.2 | 1.0 |
| Other ³ | 2.4 | 0.4 | 2.8 |
| Total | 12.8 | 16.1 | 28.9 |

¹ The estimates of country financial exposure to the USSR differ from our estimates of Soviet external debt at yearend 1978 (\$17.2 billion of which \$10.3 billion is owed to private lenders and \$6.9 billion to official lenders) for the following reasons:

(a) commercial bank lending statistics include loans to CEMA's International Investment Bank (IIB) and International Bank for Economic Cooperation (IBEC);

(b) government-guaranteed loans include both drawn credits and undrawn commitments on signed contracts.

² Estimated from statistics reported by the Berne Union which include both credit principal and future interest payments. We decapitalized these data by assuming average credit terms of eight year maturity and 7.2-percent interest rate.

³ Including Canada, Denmark, Finland, the Netherlands, Norway, Spain, and Sweden. We lack adequate data to distribute these by lender for the commercial banks. However, Canadian and Swedish Government bank loans are \$0.1 billion and \$1.2 billion respectively. The other government backed loans are less than \$50 million each.

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